

of stock. But under present conditions the banker would probably say: "When you are ready to sell your stock the market may be off and the transaction may be unprofitable for you. Therefore we cannot finance you." This state of affairs prevents the using of a great deal of grain for feeding cattle and hogs. I do think, honourable senators, that this is something the Government could very well give attention to during the war. We have government graders of grain, who render a very satisfactory service. Abolish the live stock markets which exist throughout the Western Provinces to-day, put the employees to some useful war work, appoint men to grade cattle and hogs, have the animals shipped on to the killing and processing plants and let the producer receive the returns to which he is entitled, without having deductions made for yardage and other charges.

If you take in a load of cattle or hogs to one of these markets—and in this respect they are nearly all alike—they weigh all the animals separately. What is the purpose of that? The principal purpose, I maintain, is to take the break of the beam from the producer. You never get paid for any odd pounds. If your animal weighs 874, you get paid for 870. The stock-yards in Saskatoon, Winnipeg and elsewhere are all paying 7 to 8 per cent dividend to the shareholders. I know one little outfit that cleared \$15,000 last year; and so far as the ability of the manager of that firm goes, I would not feed my pigs on his advice. That \$15,000 is taken from the producer and the consumer. We could very well effect a great saving by abolishing all these live stock markets, appointing a government grader of live stock and having the animals go direct to the processing plants.

Hon. Mr. DONNELLY: With the permission of the Senate I should like to get a little further information from the honourable acting leader (Hon. Mr. King). In 1939, 1940 and 1941 there was a fixed price for Ontario wheat, based on Montreal. I know a farmer up in Bruce county who when attempting to make a sale in 1939 was told by the buyer, "The price is 70 cents at Montreal, but we take off 23 cents for freight rates." So we know something about freight rates as well as the honourable senator from Saskatchewan North (Hon. Mr. Horner) does. At the present time there is a scarcity of Ontario-grown wheat for making pastry flour, and instead of fixing a minimum price the Government has seen fit to put on our wheat a ceiling of \$1.26. What will our position be if this Bill goes through in its present form?

Hon. R. B. HORNER.

Nothing is said about the price at Montreal. Will the minimum for Ontario wheat remain at 70 cents?

Hon. Mr. SHARPE: We should be willing to have a ceiling of \$1.26 on our wheat.

Hon. Mr. DONNELLY: I am not objecting to that. But I quoted a case to show that in 1939 a producer could not get more than the Montreal price, less the freight rates. There may be a surplus of pastry flour next year and we may have to sell our wheat on the basis of the Montreal price. I think the Bill should provide for the same price at Montreal as at Fort William.

Hon. A. L. BEAUBIEN: I understand that Ontario would enjoy the same advantages as the West in this matter.

Hon. Mr. DONNELLY: There is nothing in the Bill to provide that.

Hon. A. L. BEAUBIEN: It is in the Act itself. The Act gives the Ontario producer the same advantages as the Western producer. All that this Bill does is change the figure from 70 cents to 90 cents, which would apply to Ontario as well as to the West.

Hon. Mr. DONNELLY: The explanation is not quite clear. The Bill sets a minimum price at Fort William-Port Arthur and Vancouver on wheat of grade No. 1 Manitoba Northern, which is a grade we do not produce in Ontario. That is the grade for which the 90 cents is being guaranteed.

Hon. A. L. BEAUBIEN: But I am sure the Ontario farmer enjoys the same privileges.

Hon. Mr. DONNELLY: I should like to know that the fixed price at Montreal will be the same as the price at Fort William.

Hon. N. M. PATERSON: Honourable senators, the Canadian Wheat Board Act, George V, chapter 53, section 14, provides:

The provisions of this Act shall apply mutatis mutandis to wheat produced in the Eastern Division, and the sums certain to be paid producers delivering such wheat shall be fixed by the Board. . . .

I wonder if that answers the honourable senator's question.

Hon. Mr. BUCHANAN: I understand this 90 cents is to apply only to 280 million bushels. Any wheat produced in addition to that will have to be sold at the market price.

Hon. Mr. KING: That is right.

Hon. Mr. DONNELLY: I think we should clear up this point as to whether the price of 90 cents will apply to Ontario wheat delivered at Montreal. There is plenty of time to get the information.